

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

June 13, 2002

IN RE:

**APPROVAL OF THE AMENDMENTS TO THE
INTERCONNECTION AGREEMENT
NEGOTIATED BY BELL SOUTH
TELECOMMUNICATIONS, INC. AND THE
ELECTRIC POWER BOARD OF CHATTANOOGA
PURSUANT TO SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

DOCKET NO. 02-00341

ORDER

The Petition for Approval of the Amendments to the Interconnection Agreement Negotiated Between BellSouth Telecommunications, Inc. and the Electric Power Board of Chattanooga Pursuant to the Telecommunications Act of 1996 came before the Tennessee Regulatory Authority at the May 21, 2002 Authority Conference.

The original Interconnection Agreement between these parties was filed on June 20, 2001 and was assigned Docket No. 01-00542. The Authority approved the Agreement at the August 7, 2001 Authority Conference. The Amendments to the Agreement were filed on April 2, 2002.

The Telecommunications Act of 1996 requires that all interconnection agreements be submitted to the appropriate state commission for approval.¹ The state commission may approve or reject the agreement or it may choose not to act, under which circumstances the agreement

will be deemed approved after a statutorily mandated period of time.² A state commission may reject an interconnection agreement if it “discriminates against a telecommunications carrier not a party to the agreement” or if the implementation of the agreement “is not consistent with the public interest, convenience, and necessity.”³

While neither ground for rejection specifically exists in this case, the Amendments contain language that is inconsistent with a previous Authority order. One of the Amendments states: “Where the elements are not Currently Combined but are ordinarily combined in BellSouth’s network, the non-recurring and recurring charges for such UNE combinations shall be the sum of the stand-alone non-recurring and recurring charges of the network elements which make up the combination.”⁴ This provision is inconsistent with the Authority’s ruling in Docket No. 97-01262 requiring that “[u]nbundled network elements that are not already combined in BellSouth’s network should be priced at the sum of the unbundled network element prices after adjustments for nonrecurring costs to reflect efficiencies.”⁵ Given this inconsistency, a majority of the Directors voted to take no action on the Amendments.⁶

IT IS THEREFORE ORDERED THAT:

No action shall be taken on the *Petition for Approval of the Amendments to the Interconnection Agreement Negotiated Between BellSouth Telecommunications, Inc. and the*

¹ See 47 U.S.C. § 252(e)(1)(Supp. 2001)

² See *id.* § 252(e)(4). A negotiated agreement is deemed approved ninety (90) days after its submission for approval and an arbitrated agreement is deemed approved thirty (30) days after its submission for approval.

³ See *id.* § 252(e)(2).

⁴ *Petition for Approval of the Amendments to the Interconnection Agreement Negotiated between BellSouth Telecommunications, Inc. and the Electric Power Board of Chattanooga Pursuant to the Telecommunications Act of 1996, Amendment to the Interconnection Agreement by and Between BellSouth Telecommunications, Inc. and Electric Power Board of Chattanooga Dated May 16, 2001, sec. 5.3.8.2.2 (Apr. 2, 2002).*

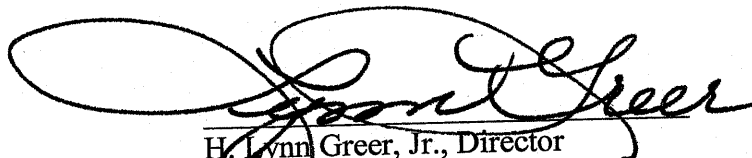
⁵ *In re: Petition of BellSouth Telecommunications, Inc. to Convene a Contested Case to Establish “Permanent Prices” for Interconnection and Unbundled Network Elements, Docket No. 97-01262, Correction of Transcript of April 25, 2000 Authority Conference and Erratum to Second Interim Order Re: Revised Cost Studies and Geographic Deaveraging, p. 2 (Mar. 6, 2001).*

⁶ Chairman Kyle did not vote with the majority. Instead, she voted in favor of approval.

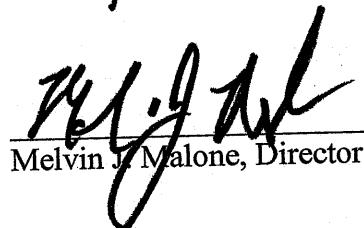
Electric Power Board of Chattanooga Pursuant to the Telecommunications Act of 1996 filed by BellSouth Telecommunications, Inc. on April 2, 2002. By operation of Section 252(e)(4) of the Telecommunications Act of 1996, the Amendments to the Interconnection Agreement shall be deemed approved on July 1, 2002.

* * * *

Sara Kyle, Chairman

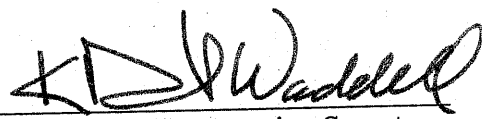


H. Lynn Greer, Jr., Director



Melvin J. Malone, Director

ATTEST:



K. David Waddell, Executive Secretary

* * * * Chairman Kyle did not vote with the majority. Instead, she voted in favor of approval.